



CALIFORNIA ENERGY COMMISSION

# Pre-Application Workshop

## **The EPIC Challenge: Accelerating the Deployment of Advanced Energy Communities**

GFO-15-312

Energy Research and Development Division  
California Energy Commission  
December 8, 2015



# Agenda

Time	Topic
1:30 pm	Welcome and Introductions
1:35 pm	Project Purpose and Focus
1:50 pm	Application Instruction
2:00 pm	Questions and Answers
2:30 pm	Networking
3:00 pm	Adjourn



# Housekeeping

- In case of emergency
- Facilities
- Sign-in sheet
- Updates on solicitation documents and today's presentation will be posted:

<http://www.energy.ca.gov/contracts/epic.html#GFO-15-312>



## Commitment to Diversity

The Energy Commission adopted a resolution strengthening its commitment to diversity in our funding programs. We continue to encourage disadvantaged and underrepresented businesses and communities to engage in and benefit from our many programs.

To meet this commitment, Energy Commission staff conducts outreach efforts and activities to:

- Engage with disadvantaged and underrepresented groups throughout the state.
- Notify potential new applicants about the Energy Commission's funding opportunities.
- Assist applicants in understanding how to apply for funding from the Energy Commission's programs.
- Survey participants to measure progress in diversity outreach efforts.



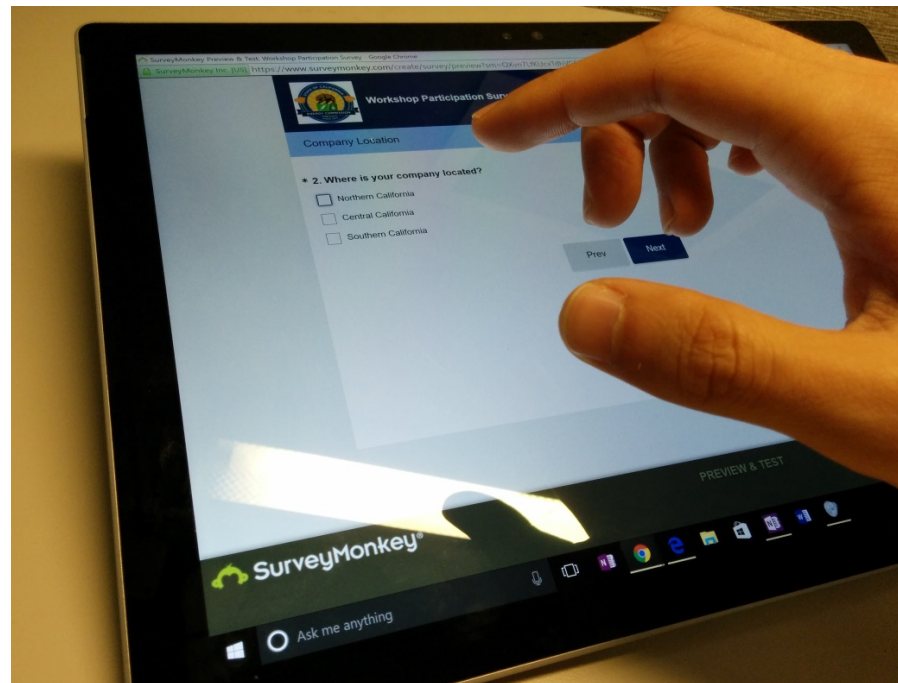
# We Want to Hear From You!

## 1 Minute Survey

- The information supplied will be used for public reporting purposes to display anonymous overall attendance of diverse groups.

- Does your company identify as an underrepresented group?
- Where is your company located?
- How did you hear about the workshop?
- **Online survey for WebEx Participants:**

<https://www.surveymonkey.com/r/CKQML8K>





## CALIFORNIA ENERGY COMMISSION

# Connect With Us





## Find Partners via LinkedIn

The Energy Commission has created a user-driven LinkedIn group page to help potential applicants **connect, collaborate** and **partner** on proposals for funding opportunities.

- Participants can join the “California Energy Commission Networking Hub” by:
  - Searching for the “California Energy Commission Networking Hub” group; or
  - Entering this link into your browser:([bit.ly/CalEnergyNetwork](https://bit.ly/CalEnergyNetwork))
- Once there, find various subgroups that relate to specific funding opportunities by checking the “About this group” section of the Networking Hub.



## Background

- The Electric Program Investment Charge (EPIC) is funded by an electricity ratepayer surcharge established by the California Public Utilities Commission (CPUC) in 2011.
  - Annual program funds total \$162 million per year with 80% administered by the California Energy Commission.
- The purpose of EPIC is to:
  - Benefit the ratepayers of the three largest electric investor-owned utilities, Pacific Gas and Electric Co., San Diego Gas and Electric Co., and Southern California Edison
  - Funds clean energy technology projects that promote greater electricity reliability, lower costs, and increased safety.
  - Encourage technological advancement and breakthroughs to overcome the barriers that prevent the achievement of the state's statutory energy goals.





## The EPIC Challenge

- The purpose of the solicitation is to fund a competition that will challenge project teams to develop innovative and replicable approaches for accelerating the deployment of Advanced Energy Communities (AECs) in IOU service territories.
- Teams will need to be multidisciplinary to achieve the objectives of this solicitation.
- Project teams that develop the best approaches will be eligible to compete for additional funding to fully realize their Advanced Energy Community.



## The EPIC Challenge

- Minimize the need for new energy infrastructure costs such as transmission and distribution upgrades.
- Provide energy savings by achieving and maintaining zero net energy community status.
- Provide affordable access to renewable energy generation, energy efficiency upgrades, and water efficiency and reuse technologies that reduce electricity consumption for all electric ratepayers within the community.
- Can be replicated and scaled-up to further drive down costs.
- Are financially attractive from a market standpoint.



# The EPIC Challenge

## Phase I – Planning and Permitting

- Demonstrate the feasibility of innovative planning, permitting, and financing approaches to incentivize development of Advanced Energy Communities.
- Combine regulatory streamlining strategies with a real-world development example to produce a shovel-ready Advanced Energy Community.

## Phase II – Advanced Energy Community Build-out

- Receiving an award from Phase I is a prerequisite for applying and receiving an award from Phase II.
- Receive funding for the construction, commissioning, and evaluation of their Advanced Energy Community.
- An amendment to this solicitation will be provided at a future date with additional details on how to apply for Phase II. Applicants will be required to submit a second proposal in accordance with the amended solicitation.



## Available Funding

Project Group	Available Funding	Maximum award amount
<b>Phase I: 2015 Release</b>		
Group 1: Advanced Energy Community; Northern California	\$4.5 million	\$1.5 million
Group 2: Advanced Energy Community; Southern California	\$4.5 million	\$1.5 million
Group 3: Advanced Energy Community Located in a Disadvantaged; Northern California	\$4.5 million	\$1.5 million
Group 4: Advanced Energy Community Located in a Disadvantaged; Southern California	\$4.5 million	\$1.5 million
<b>Phase II: 2018 Release</b>		
Group 5: Advanced Energy Community; Northern California Build Out	\$8 million	\$8 million
Group 6: Advanced Energy Community; Southern California Build Out	\$8 million	\$8 million
Group 7: Disadvantaged Communities Build-out	\$14 million	\$14 million



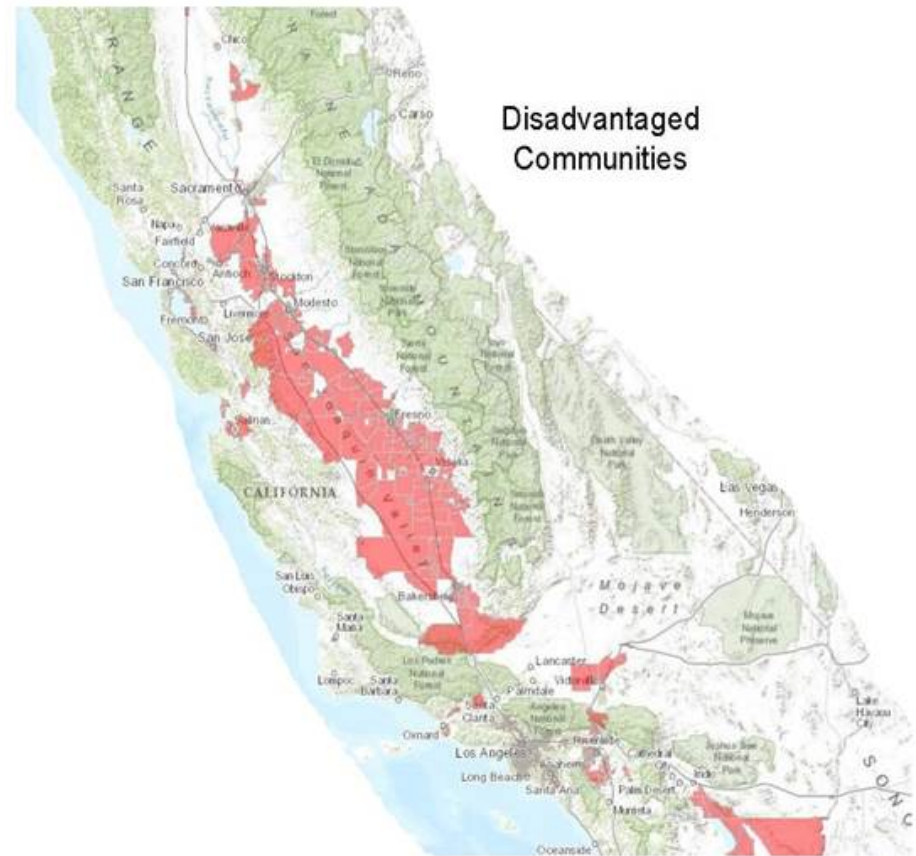
## Project Groups

- Group eligibility is determined by the location of the proposed Advanced Energy Community project site.
- Southern California is defined as the following counties:
  - Orange
  - Riverside
  - San Diego
  - Imperial
  - Santa Barbara
  - Ventura
  - Los Angeles
  - San Bernardino
- Northern California is defined as all other counties in California



## Project Groups

- Disadvantaged Community is one located entirely within a 2010 census tract with the poorest environmental quality as defined by a CalEnviroScreen 2.0 at the 75 or greater percentile range.
- Detailed list of Disadvantaged Communities can be found here:  
<http://www.calepa.ca.gov/EnvJustice/GHGInvest/>



Source: CalEnviroScreen 2.0



## Team Emphasis

- Project teams must include one or more local city or county governments.
- Recommended team members include: building developers, property managers, real estate agents, technology vendors, researchers, utilities, and financiers.
- Replicability and the transfer of knowledge gained from these projects are a primary goal.
- A cooperative model is needed between these parties to achieve the true benefits of wide-spread deployment of Advanced Energy Communities.



## Eligible Bidders

- This is an open solicitation for public and private entities, except for publicly owned utilities.
- Applicants must accept the EPIC terms and conditions.
  - Standard T&Cs: <http://www.energy.ca.gov/research/contractors.html>
- Applicants are required to register with the California Secretary of State and be in good standing to enter into an agreement with the Energy Commission. <http://www.sos.ca.gov>
- Applicants must propose a team with proven ability to successfully complete similar projects.





## Key Dates Phase I

ACTIVITY	DATE	TIME
Solicitation Release	November 25, 2015	
Pre-Application Workshop	<b>December 8, 2015</b>	<b>10:00 a.m.</b>
Deadline for Written Questions for Phase I	<b>December 9, 2015</b>	<b>5:00 p.m.</b>
Anticipated Distribution of Questions and Answers for Phase I	Week of December 21, 2015	
Deadline to Submit Applications for Phase I	<b>February 5, 2016</b>	<b>3:00 p.m.</b>
Anticipated Notice of Proposed Award Posting Date (Phase I Projects)	Week of March 7, 2016	
Anticipated Energy Commission Business Meeting Date (Phase I Projects)	May 2016	
Anticipated Agreement Start Date (Phase I Projects)	May 2016	
Anticipated Agreement End Date (Phase I Projects)	March 2018	



## Key Dates Phase II

ACTIVITY	DATE	TIME
Release of Phase II Solicitation Amendment	March 2018	
Deadline for Written Questions for Phase II	March 2018	5:00 p.m.
Anticipated Distribution of Questions and Answers for Phase II	April 2018	
Deadline to Submit Applications for Phase II	May 2018	3:00 p.m.
Anticipated Notice of Proposed Award Posting Date	June 2018	
Anticipated Energy Commission Business Meeting Date (Phase I Projects)	July 2018	
Anticipated Agreement Start Date (Phase II Projects)	July 2018	
Anticipated Agreement End Date (Phase II Projects)	March 2023	



## GFO Application Requirements

- Submit Applications with all attachments in the order specified by the due date and time listed in Section III of the manual.
- Due date is **February 5, 2016 by 3:00 pm**
- Application documents should meet formatting requirements, page limits, and number of copies specified on page 24.
  - **Seven** hard copies and **one** electronic copy.



# Application Requirements

## Each Applicant must complete and include the following:

1. Application Form	7. Budget
2. Executive Summary	8. CEQA Compliance Form
3. Fact Sheet	9. References and Work Product
4. Project Narrative	10. Contact List
5. Project Team	11. Commitment and Support Letters
6. Scope of Work	

**Be consistent in your application!**



## Project Narrative

This is your opportunity to tie everything together and explain the entirety of the project. The narrative should explain:

- Why your project is important?
- What you will be doing in your project?
- How are you going to complete the project?
- Will the ratepayers benefit?
- What it is going to cost ratepayers, and is it worth it?



## Project Narrative Minimum Requirements

Technical Merit should describe, at a minimum:

- How can the risks and uncertainties surrounding the design, permitting, planning, and financing of these types of communities be minimized or addressed?
- What combination of emerging and proven clean energy technologies and systems offer the best value in terms of economic, environmental, and technical performance?
- What innovative financing strategies can be used to support the development of these types of communities and make them more financially attractive relative to similar community developments without advanced energy attributes?
- Where are the optimal locations within a jurisdiction for designing and deploying these communities that offer the most benefit to ratepayers and the electric grid?
- What are potential business models or collaborative strategies among developers, local governments, investor-owned utilities, etc. that will accelerate the deployment of Advanced Energy Communities?



## Project Narrative Minimum Requirements

The Technical Approach should describe at a minimum:

- Actions or steps already adopted by the local jurisdiction to meet the goals of existing state and regional climate and energy plans. Examples of these plans include the California Climate Adaptation Planning Guide, and the Desert Renewable Energy Conservation Plan.
- Analytical tools, software applications, and data that will be used to improve the design, planning, and permitting of the Advanced Energy Community.
- How the applicant will work with various project partners and stakeholder groups to develop a replicable approach for local governments to plan, permit, and finance an Advanced Energy Community.
- How the community will capture lessons learned and best practices, and how those will be turned into useful guidance for future Advanced Energy Communities.



## Scope of Work

Tell us exactly what you are proposing to do in your project.

Identify what you will deliver to the Energy Commission.

Scope of Work should incorporate a plan for the following:

- Develop a case study documenting the actions taken to reduce the time, cost, and administrative cost to plan and permit Advanced Energy Communities.
- Develop a Master Community Design showcasing a real world conceptual design of a proposed Advanced Energy Community.
- Develop tools and recommendations for use in planning and building departments to allow for more streamlined review of Advanced Energy Community plans.
- Develop comprehensive financial and business models that can help Advanced Energy Communities financially attractive.
- Develop an outreach strategy.





## Budget

Identify how you will be spending EPIC funding and match funds to complete this project.

- Each Applicant and major subcontractor must complete the budget form, including all budget forms.
- This must be submitted in the same format as it is provided.
- Do not delete sheets or rows, use the hide/expand functions.
  - Shaded cells are automatically filled or calculated.



## Commitment and Support Letter Form

- This form provides guidelines for the submission of letters of support or commitment that are submitted with the application.
  - Commitment letter commits an entity or individual to providing the service or funding described.
  - Support letter details an entity's or individual's support for the project.
- All Applicants are required to submit at least one support letter from a project stakeholder.
- Any project partners that will make other contributions to the project must submit a commitment letter.
- Match funding for each Application must be supported by a match fund commitment letter.
- Limited to two pages per letter, excluding the cover page.



## How will my Application be Evaluated?

### → Administrative Screening

#### Application Admin Screening Process

1. Energy Commission staff screens applications per criteria in the solicitation (page 26).
2. Criteria is evaluated on a pass/fail basis.
  - ✓ Applicants must pass all screening criteria or the Applicant will be disqualified.

#### Some Reasons for Failing Screening

- ✓ Application not submitted by the specified due date and time.
- ✓ Applicant did not address one of the eligible project groups.
- ✓ Requested funding is outside of the specified minimum/maximum range.
- ✓ Project completion date beyond the specified agreement end date.
- ✓ Application does not include one or more support letters, as described in Attachment 11.
- ✓ Application contains confidential material.



## How will my Application be Evaluated?

- **Evaluation Committee applies the scoring scale to the scoring criteria.**
- **Applications must obtain a minimum passing score of 70% for criteria 1-4 (or 49 points) in order to continue evaluation, and must also obtain a minimum passing score of 70% overall for criteria 1-7 (or 70 points), in order for an Application to be considered for funding. Passing applications will be considered for match funding preference points.**
- **Each Applicant must review the Evaluation and Award Process section of the solicitation and ensure that the application provides a clear and complete response to each scoring criteria in the project narrative.**

Scoring Criteria (pages 28-32)	Maximum Points
1. Technical Merit and Need	15
2. Technical Approach	20
3. Impacts and Benefits for CA IOU Ratepayers	15
4. Team Qualifications, Capabilities and Resources	20
5. Budget Cost-Effectiveness	10
6. EPIC Funds Spent in CA	15
7. Ratio of Direct Labor and Fringe Benefit Rates to Loaded Labor Rates	5
Total	100
Minimum points to pass	70



## What is the Technical Scoring Scale?

% of Possible Points	Interpretation	Explanation for Percentage Points
0%	Not Responsive	Response does not include or fails to address the requirements being scored. The omission(s), flaw(s), or defect(s) are significant and unacceptable.
10-30%	Minimally Responsive	Response minimally addresses the requirements being scored. The omission(s), flaw(s), or defect(s) are significant and unacceptable.
40-60%	Inadequate	Response addresses the requirements being scored, but there are one or more omissions, flaws, or defects or the requirements are addressed in such a limited way that it results in a low degree of confidence in the proposed solution.
70%	Adequate	Response adequately addresses the requirements being scored. Any omission(s), flaw(s), or defect(s) are inconsequential and acceptable.
80%	Good	Response fully addresses the requirements being scored with a good degree of confidence in the Applicant's response or proposed solution. No identified omission(s), flaw(s), or defect(s). Any identified weaknesses are minimal, inconsequential, and acceptable.
90%	Excellent	Response fully addresses the requirements being scored with a high degree of confidence in the Applicant's response or proposed solution. Applicant offers one or more enhancing features, methods or approaches exceeding basic expectations.
100%	Exceptional	All requirements are addressed with the highest degree of confidence in the Applicant's response or proposed solution. The response exceeds the requirements in providing multiple enhancing features, a creative approach, or an exceptional solution.



## What is Important?

Scoring Criteria (pages 28-32)	The Question to Answer
1. Technical Merit and Need	Why should your project be funded?
2. Technical Approach	How you're going to do what you're going to do?
3. Impacts and Benefits for CA IOU Ratepayers	How will your project benefit the ratepayers?
4. Team Qualifications, Capabilities and Resources	Who is going to make this project happen, and what resources are available to make it happen?
5. Budget Cost-Effectiveness	Are you spending money wisely?
6. EPIC Funds Spent in CA	This is a direct calculation based on forms in the budget.
7. Ratio of Direct Labor and Fringe Benefit Rates to Loaded Labor Rates	This is a direct calculation based on forms in the budget.



## Bonus Points - Match Funding

- Match funding is not required under Phase I of this solicitation. Additional points are available to applicants who supply match funding in Phase I
- Applicants may receive up to 10 additional points based on the criteria below:
  - Up to 5 points will be awarded based on the percentage of match funding compared to the amount of EPIC funds requested. This ratio will be multiplied by 5 to yield the points.  
For example: If requested EPIC funds are \$1,000,000, and the Applicant provides \$500,000 in match funding, their ratio will be  $500,000 \div 1,000,000 = 0.5$ , resulting in additional point value of  $0.5 \times 5 = 2.5$  points
  - The remaining 5 points will be based on the level of commitment, type of match funding, dollar value justification, and funding replacement strategy described in the match funding commitment letter (see Attachment 11). The application scoring scale on pages 31-32 will be used to rate these criteria.
- Match funding contributors must submit match funding commitment letters that meets the requirements of Attachment 11. Failure to do so will disqualify the match funding commitment from consideration.



## Bonus Points – Additional Local Gov't Participation

- Solicitation requires at least one local city or county government participate
- Two (2) additional points will be awarded for project teams that feature participation from additional local governments.
  - Project teams that have participation from three local governments will receive one additional point.
  - Project teams that have participation from four or more local governments will receive two additional points.





## Questions and Answers

Please send all questions related to GFO-15-312 to:

Janna Franks  
Commission Agreement Officer  
1516 Ninth Street, MS-18  
Sacramento, CA 95814  
(916) 654-4921  
(916) 654-4423 (fax)

[Janna.Franks@energy.ca.gov](mailto:Janna.Franks@energy.ca.gov)

**Deadline to submit questions is December 9, 2015 5:00 PM**

**Deadline to submit proposals is February 5, 2016 3:00 PM**